



# Model for Arizona's Economic Advancement

News Conference  
April 14, 2010

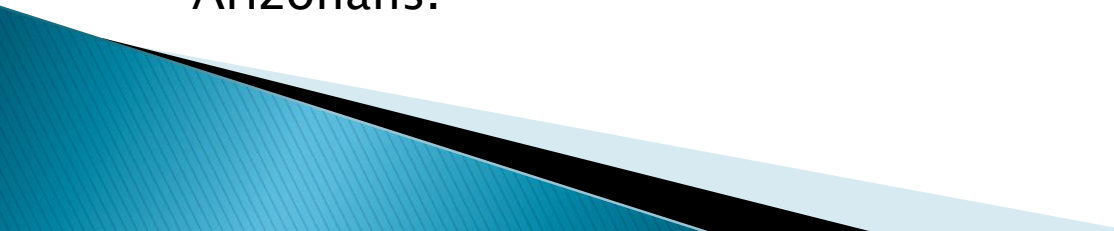
# **GOVERNOR'S COMMERCE ADVISORY COUNCIL**

## **Process and Approach**

- Arizona Department of Commerce Review
  - Stakeholder Focus Groups
    - 20 Focus Groups
    - More than 300 People
    - 180 Organizations
    - Representing Diverse Stakeholders
  - Domestic and Global Research
  - Analysis of Research and Focus Group Findings
  - Council Recommendation and Report to Governor
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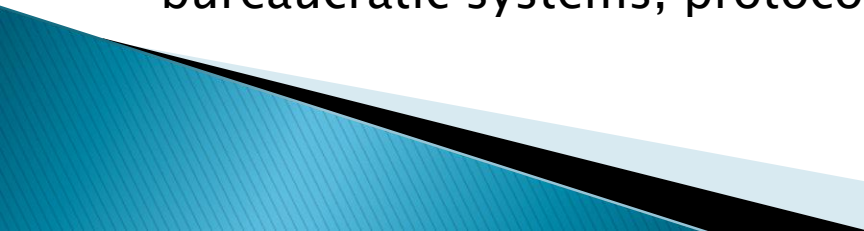
### **Department of Commerce Findings**

- ▶ The Arizona Department of Commerce is currently charged with 57 statutory mandated initiatives and 16 Executive Order assignments, backed by minimal state funding support.
  - ▶ Total state funding for the Arizona Department of Commerce has been reduced by 34%, from \$9,178,400 in FY 2008 to \$6,083,500 in FY 2010.
  - ▶ The Department has had seven Commerce Directors in the past 10 years.
  - ▶ While the agency has created numerous economic development strategic plans, they have not received broad based support or been fully implemented.
  - ▶ The Governor's direct involvement in recent new business locates has resulted in the creation of thousands of quality jobs for Arizonans.
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### **Stakeholder Focus Group Findings**

Recommended areas of improvement:

- ▶ Independence from political environment will result in consistent leadership, plan and policy implementation.
  - ▶ Greater engagement from the private sector and qualified executive leadership.
  - ▶ Public policy leadership to monitor Arizona's competitive position.
  - ▶ Strategic plans that receive statewide support and resources to implement them.
  - ▶ Leadership organization focused on core economic development.
  - ▶ Greater emphasis on retaining and growing existing businesses focused on key growth industries.
  - ▶ Ability to be flexible, creative and strategic without the hindrance of bureaucratic systems, protocols and processes.
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## Stakeholder Outreach List

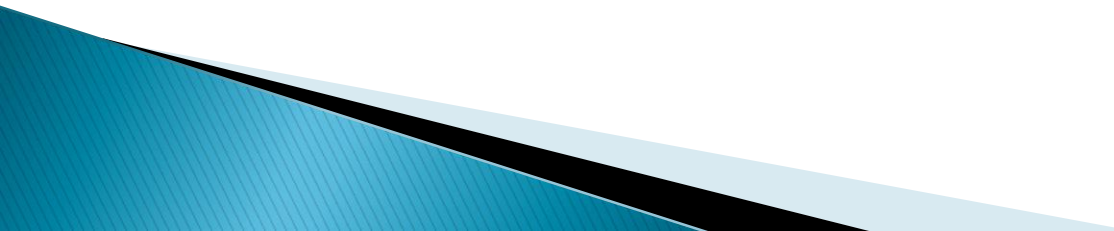
Arizona Association for Economic Development  
AERO  
Ahwatukee Chamber of Commerce  
American Indian Chamber of Commerce  
Apache Junction Chamber of Commerce  
Apache Nitrogen  
APS  
Arizona BioIndustry Association  
Arizona Chamber of Commerce  
Arizona Department of Commerce  
Arizona Minority Business Enterprise Center  
Arizona Small Business Association  
Arizona Technology Council  
Arizona Tooling and Machining Association  
Associated Minority Contractors of America  
Arizona State University  
AVR  
AZ Small Business Development Center  
Barclay Communications  
Town of Benson  
Benson Chamber of Commerce  
BioAccel  
Blue Cross/Blue Shield of Arizona  
Brown Family Foundations  
Buckeye Valley Chamber of Commerce  
Bullhead Regional Economic Development Authority, Inc.  
California Association for Local Economic Development  
Carondelet  
Catholic Healthcare West  
CB Richard Ellis  
Central Arizona Regional Economic Development Fdn  
Chandler-Gilbert Community College  
City of Apache Junction  
City of Chandler  
City of Glendale  
City of Mesa  
City of Nogales  
City of Prescott  
City of Safford  
City of Sedona  
City of Tempe  
City of Tucson  
City of Willcox  
Cochise Community College  
Cochise County

Coconino County Career Center  
Coe & Van Loo Consultants  
Cox Communications  
Cushman & Wakefield  
Delmastro + Eells  
Deloitte  
Desert Fleet-Serve, Inc.  
DHR International  
Diamond Ventures  
DMB Associates  
Dorn Policy Group  
East Valley Chamber of Commerce Alliance  
EDGE Eloy  
Embry-Riddle Aeronautical University  
Empire Southwest LLC  
Falcon Field Area Alliance  
Fennemore Craig  
Flagstaff Chamber of Commerce  
Flinn Foundation  
Florence Economic Development  
GHD  
Governor's Office of Equal Opportunity  
Greater Phoenix Economic Council  
Grand Canyon Minority Supplier Development Council  
Great Impact, Inc.  
Greater Phoenix Chamber of Commerce  
Greater Phoenix Leadership  
Green Valley Sahuarita Chamber of Commerce  
Hensley Company  
HKS, Inc.  
Hub International  
Humana of Arizona  
IBM  
ILX Resorts  
iMemories  
Integriguard  
Intel  
Kingman Economic Development  
Klute Communications  
Lake Havasu Area Chamber of Commerce  
Lake Havasu Partnership for Economic Development  
League of Arizona Cities and Towns  
Local First Arizona  
Maricopa County  
Maricopa County Community College District

Mesa Chamber of Commerce  
Mohave County  
Motorola  
Mayo Clinic  
NAIOP  
National Federation of Independent Business, Arizona  
Northern Trust Bank  
Phoenix Children's Hospital  
Phoenix International Raceway  
Prescott Valley Economic Development Foundation  
Raytheon  
Republic Services  
Science Foundation Arizona  
Scottsdale Chamber of Commerce  
Sierra Vista Economic Development Foundation  
South Mountain Laveen Chamber of Commerce  
SouthEastern Arizona Governments Organization  
Southwest Gas  
SRP  
St. Joseph's Hospital & Medical Center  
Sulphur Springs Valley Electric  
Sunbelt Holdings  
SunCor Development Co.  
Sundt Construction  
Systems Technology Staffing  
Tempe Chamber of Commerce  
TGen  
Town of Fountain Hills  
Town of Maricopa  
Town of Oro Valley  
Town of Payson  
Town of Sahuarita  
TREO  
TriWest Healthcare  
Tucson Metro Chamber of Commerce  
University of Arizona  
Vestar Development Co  
Viad Corp.  
Vision Alignment  
Western Arizona Economic Development District  
Waste Management of Arizona  
Wells Fargo  
Westcor  
Yavapai County Cooperative Extension  
Yuma Economic Development Foundation

## **GOVERNOR'S COMMERCE ADVISORY COUNCIL Economic Development Models**

Nine Economic Development Models Reviewed:

- ✓ Commerce Department and Private Partnership:  
North Carolina, Georgia, Texas
  - ✓ Public Private Partnership:  
Florida, Utah
  - ✓ Quasi-Governmental Agency:  
Virginia
  - ✓ Global Semi-State Model:  
Ireland, Singapore, English Regional Development Agency
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## Elements of Successful State Economic Development Organizations

**Collaborative Culture:** Investment in results-oriented and focused economic development is an appropriate use of public funds.

**Leadership:** A highly engaged Governor that acts as the state's CEO and the formal engagement of legislators and business leaders. A qualified President (Director/Secretary).

**Structure:** An organization that operates outside of political influence but is still accountable to the state legislature through mandated deliverables. Or, an organization that operates inside of government and maintains formal partnerships with the private sector.

**ROI:** An accountable and transparent demonstration of a return on investment of state dollars.

**Clear Strategic Focus:** Statewide vision and strategic plans supported by collaboration of statewide interests. Implementation of goals monitored and measured annually. Retention and expansion of companies in targeted industry clusters.

**Innovation Focus:** Programs that support the growth potential of innovation based clusters. Partnerships with higher education institutions, science and technology groups, and R&D institutions.

**Domestic and Global Marketing:** State leader in marketing and communications strategies to advance the state's strategic vision.

**Public Policy and Global Competitiveness:** State leader in public policy to assure state is competitive.

**Rural Programs:** Special emphasis on providing support to rural economic development.







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